

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 1615 - HB 1352

March 18, 2021

**SUMMARY OF ORIGINAL BILL:** Increases, from ten days to ten business days, the time in which motor vehicle dealers are required to notify the Motor Vehicle Commission (MVC) of any changes in labor rates charged to retail customers or manufacturers for warranty repairs or servicing.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (004467):** Deletes all language after the enacting clause. Requires a manufacturer or distributor to specify in writing a dealer's obligations for preparation, delivery, and warranty services related to the manufacturer's or distributor's products to each of the manufacturer or distributor's franchise motor vehicle dealers.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

- The proposed legislation regards policies of warranty products, repairs, and labor rates between private motor vehicle manufacturers, distributors, and dealers.
- According to the MVC, the provisions of the legislation have been implemented in 48 other states.
- The proposed legislation will not significantly impact the policies or procedures of the MVC; therefore, no significant fiscal impact to state or local government.
- Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-sufficient over any two-year period. The MVC experienced a surplus of \$351,518 in FY18-19, a deficit of \$204,605 in FY19-20, and had a cumulative reserve balance of \$2,170,172 on June 30, 2020

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The script is cursive and fluid.

Krista Lee Carsner, Executive Director

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